

Attachment 3, page 1

 You forwarded this message on 2/11/2009 11:12 AM.

Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

Jay Mortensen

From: sldnoreply@sl.universalservice.org
[sldnoreply@sl.universalservice.org]

Sent: Tue 1/27/2009 5:04 PM

To: Jay Mortensen

Cc:

Subject: RE: Initial Contact, Case# 21-833283

Attachments:  CAL for FRN 1299293.pdf(64KB)

Thank you for your inquiry. We have attached a copy of the Commitment Adjustment Letter to this email.

If you have any further questions, please feel free to contact our Schools and Libraries Helpline at 1-888-203-8100. Please remember to visit our website for updates: <http://www.sl.universalservice.org>

Thank you,
Schools and Libraries Division
Universal Service Administrative Company

-----Original Message-----

From: jmortensen@mountainair.k12.nm.us
Subject: Initial Contact

[FirstName]=Jay
[LastName]=MORTENSEN
[JobTitle]=Superintendent
[EmailAddress]=jmortensen@mountainair.k12.nm.us
[WorkPhone]=5058472480
[FaxPhone]=5058472843
[PreviousCaseNumber]=0

[FormType]=Appeal
[Owner]=TCSB
[DateSubmitted]=1/27/2009 5:21:53 PM
[AttachmentFlag]=N[ApplicationNumber]=466077
[Question2]=I have a demand payment letter

application number - 466077
funding year - 2005
applicant's form identifier 12121927
billed entity - 143245
fcc registration - 0014270508
spin name- harris technology services, inc.
service provider contact - della harris

This letter references a commitment adjustment letter. I have pulled my binders and reviewed my records. I am not able to locate any record of a commitment adjustment letter. How do I proceed in the absence of this letter?

Jay Mortensen, Superintendent
Mountainair Public Schools

Notification of Commitment Adjustment Letter

Funding Year 2005: 7/01/2005 - 6/30/2006

November 17, 2008

**JAY MORTENSEN
MOUNTAINAIR PUBLIC SCH DIST
512 ROSS AVENUE
MOUNTAINAIR, NM 87036**

**Re: Form 471 Application Number: 466077
Funding Year: 2005
Applicant's Form Identifier: 12121927
Billed Entity Number: 143245
FCC Registration Number: 0014270508
SPIN Name: Harris Technology Services, Inc.
Service Provider Contact Person: Della Harris**

*Received
11/27/2009
As e-mail
attachment.*

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the adjustments to your funding commitment required by program rules, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the program rule violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of the Demand Payment Letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

TO APPEAL THIS DECISION:

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If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Numbers you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. Immediately preceding the Report, you will find a guide that defines each line of the Report.

The SLD is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on these Funding Request Numbers, a separate letter will be sent to the service provider detailing the necessary service provider action.

Please note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Please note the Funding Commitment Adjustment Explanation in the attached Report. It explains why the funding commitment is being reduced. Please ensure that any invoices that you or your service provider submit to USAC are consistent with program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Della Harris
Harris Technology Services, Inc.

A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

Attachment 3, page 5

A report for each E-rate funding request from your application for which a commitment adjustment is required is attached to this letter. We are providing the following definitions for the items in that report.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a. This number will only be present for "site specific" FRNs.

ORIGINAL FUNDING COMMITMENT: This represents the original amount of funding that SLD had reserved to reimburse you for the approved discounts for this service for this funding year.

COMMITMENT ADJUSTMENT AMOUNT: This represents the amount of funding that SLD has rescinded because of program rule violations.

ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

FUNDS DISBURSED TO DATE: This represents the total funds that have been paid to the identified service provider for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM APPLICANT: This represents the amount of improperly disbursed funds to date as a result of rule violation(s) for which the applicant has been determined to be responsible. These improperly disbursed funds will have to be recovered from the applicant.

FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 466077**

Attachment 3, page 6

Funding Request Number:	1299293
Services Ordered:	INTERNAL CONNECTIONS MNT
SPIN:	143025351
Service Provider Name:	Harris Technology Services, Inc.
Contract Number:	MPSD2005-01
Billing Account Number:	505-847-2333
Site Identifier:	143245
Original Funding Commitment:	\$46,847.31
Commitment Adjustment Amount:	\$46,847.31
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$46,847.31
Funds to be Recovered from Applicant:	\$46,847.31

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review, it was determined that the funds were erroneously committed for the funding request 1299293, which was not justified as cost effective. The FCC rules require that, in selecting the service provider, the applicant must select the most cost effective service or equipment offering, with price being the primary factor, which will result in it being the most effective means of meeting educational needs and technology plan goals. Additionally, the applicants' technology plans for requested services should be based on an assessment of their reasonable needs. Applicants that request services that are beyond their reasonable needs and thus not cost effective have violated the above rules. Since FRN 1299293 exceeded the applicant's reasonable needs, this funding commitment is rescinded in full and SLD will seek recovery of any disbursed funds from the applicant.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

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JAY MORTENSEN
MOUNTAINAIR PUBLIC SCH DIST
512 ROSS AVENUE
MOUNTAINAIR, NM 87036

Kristi - 21-884843

Case# 21-853916
2/24 - 60 DAYS TO APPEAL
FROM DATE OF
ORIGINAL LETTER

File

Response sent via
"Submit a question"
on 2/24/09.

**Demand Payment Letter
SECOND REQUEST**

Funding Year 2005: 7/01/2005 - 6/30/2006

February 20, 2009

**JAY MORTENSEN
MOUNTAINAIR PUBLIC SCH DIST
512 ROSS AVENUE
MOUNTAINAIR, NM 87036**

- PAST DUE NOTICE -

**THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT YOUR
ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW**

**Re: Form 471 Application Number: 466077
Funding Year: 2005
Applicant's Form Identifier: 12121927
Billed Entity Number: 143245
FCC Registration Number: 0014270508
SPIN Name: Harris Technology Services, Inc.
Service Provider Contact Person: Della Harris**

You were recently sent a Demand Payment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to this letter. Our records indicate that you have not responded to the Demand Payment Letter. As of February 20, 2009, the debt was past due and delinquent.

**THE FOLLOWING PROVISIONS CONTAIN IMPORTANT INFORMATION AND A
DESCRIPTION OF LEGAL RIGHTS, OBLIGATIONS, AND OPPORTUNITIES**

- 1. Debtor is cautioned that failure to make the demanded payment or make other satisfactory arrangements will result in further sanctions, including, but not limited to, the initiation of proceedings to recover the outstanding debt, together with any applicable administrative charges, penalties, and interest pursuant to the provisions of the Debt Collection Act of 1982 (Public Law 97-365) and the Debt Collection Improvement Act of 1996 (Public Law 104-134), as amended (the DCIA), as set forth below.**
- 2. If we do not receive full payment of the outstanding debt within 30 days of the date of this letter (Demand Date), pursuant to the DCIA, you may incur additional charges and costs, and the debt may be transferred to the Federal Communications Commission (Commission or FCC) and/or the United States Department of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and 47 U.S.C. § 254. Because the unpaid**

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amount is a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice, you will be required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury (currently 18% of the debt), and you will be charged an additional penalty of 6% a year for any part of the debt that is more than 90 days past due. Interest on the outstanding debt (DCIA Interest) will be assessed at the published investment rate for the Treasury tax and loan accounts (Treasury Current Value of Funds Rate). If, however, you pay the full amount of the outstanding debt within 30 days of the Demand Date, the DCIA Interest will be waived. These requirements are set out at 31 U.S.C. § 3717.

3. When we transfer the debt (to the Commission or later to the Treasury), you may be subject to other administrative proceedings. Your failure to pay the debt may be reported to credit bureaus (see 31 U.S.C. § 3711(e)), the debt will be considered for administrative offset (see 31 U.S.C. § 3716), the debt may be further transferred to collection agencies (see 31 U.S.C. §§ 3711-3718), and also the debt may be referred to the United States Department of Justice or agency counsel for litigation. In that situation, you may be subject to additional administrative costs that result from the litigation. Moreover, pursuant to 31 U.S.C. § 3720 (B), a person owing an outstanding non-tax debt that is in delinquent status shall not be eligible for Federal financial assistance. You should be aware that the discharge of any portion of the debt may be reported to the Internal Revenue Service as potential taxable income.

Opportunity of Inspection and Review

4. You have an opportunity to inspect and copy the invoices and the records pertinent to the debt. The Notification of Commitment Adjustment Letter constituted notice of your opportunity to appeal the validity of the debt.

Opportunity to Request Repayment Agreement

5. You have an opportunity to request a written repayment agreement (which includes a Promissory Note) to pay the full amount of the debt. In that case, however, you must first provide evidence that demonstrates financial inability to pay the debt in one payment. Your claim of financial inability to pay in one payment is subject to verification (see 31 C.F.R. § 901.8). If your request is approved for further processing, you will be required to execute a written agreement suitable to the Commission. You should be aware that repayment agreements regularly impose a number of obligations on the debtor, including additional administrative charges, audit obligations, and surety bond requirements. For more information on the obligations associated with repayment agreements, see "USAC Repayment Request Procedure" <http://www.universalservice.org/fund-administration/contributors/paying-your-invoice/payment-extension-plans.aspx>. If you desire to exercise any of the above described rights, you must do so in writing which must be delivered to and received at the address below within 30 (thirty) days of the Demand Date. Any required evidence must be submitted at the same time that you submit your request. Failure to provide the written request (and, as appropriate, the required evidence) within the stated time is a waiver of these opportunities.

Attachment 4, page 3
You may notify us in writing by mail or facsimile transmission at the following address and telephone number:

Schools and Libraries Division- Program Compliance II,
Dept. 125 - Correspondence Unit,
100 South Jefferson Road,
Whippany, NJ 07981
Phone Number: 973-581-5395
Fax Number: 973-599-6582

If the Schools and Libraries Division (SLD) has determined that both the applicant and the service provider are responsible for a program rule violation, then, pursuant to the Order on Reconsideration and Fourth Report and Order (FCC 04-181) (Fourth Report and Order), the SLD will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If the SLD has determined that both the applicant and the service provider are responsible for a program rule violation, this will be indicated in the Funding Commitment Adjustment Explanation on the Funding Commitment Adjustment Report.

If SLD is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with your service provider to determine who will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full Funds to be Recovered from Applicant amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Universal Service Administrative Company
1259 Paysphere Circle
Chicago, IL 60674

If you are located in the Chicago area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company
Lockbox 1259
540 West Madison 4th Floor
Chicago, IL 60661

PAYMENT MUST BE RETURNED IMMEDIATELY.

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Complete program information is posted to the SLD section of the USAC web site at www.universalservice.org/sl/. You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Service Administrative Company
Schools and Libraries Division

cc: Della Harris
Harris Technology Services, Inc.

Funding Commitment Adjustment Report**Form 471 Application Number: 466077***Attachment 4, page 6*

Funding Request Number:	1299293
Services Ordered:	INTERNAL CONNECTIONS MNT
SPIN:	143025351
Service Provider Name:	Harris Technology Services, Inc.
Contract Number:	MPSD2005-01
Billing Account Number:	505-847-2333
Site Identifier:	143245
Original Funding Commitment:	\$46,847.31
Commitment Adjustment Amount:	\$46,847.31
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$46,847.31
Funds to be Recovered from Applicant: ¹	\$46,847.31

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review, it was determined that the funds were erroneously committed for the funding request 1299293, which was not justified as cost effective. The FCC rules require that, in selecting the service provider, the applicant must select the most cost effective service or equipment offering, with price being the primary factor, which will result in it being the most effective means of meeting educational needs and technology plan goals. Additionally, the applicants' technology plans for requested services should be based on an assessment of their reasonable needs. Applicants that request services that are beyond their reasonable needs and thus not cost effective have violated the above rules. Since FRN 1299293 exceeded the applicant's reasonable needs, this funding commitment is rescinded in full and SLD will seek recovery of any disbursed funds from the applicant.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

¹ Please note that if the Funds to be Recovered from the Applicant is less than what was reported on the Notification of Commitment Adjustment Letter or the 1st Demand Payment Letter it is because you have partially repaid the debt or because the service provider has partially repaid the debt.